

APPENDIX 'A'

#13063

Chair and Members
Corporate Services Committee

May 28, 2013
(Award Contract)

**RE: Records Management Software
Capital Project GG1070 - Records Management
StoneShare Inc. - \$957,826.00 (excluding H.S.T.)**

FINANCE DEPARTMENT REPORT ON THE SOURCES OF FINANCING:

Finance Department confirms that the cost of this purchase can not be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Manager of Records & Information Services and the Chief Technology Officer, the detailed source of financing for this purchase is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Additional Requirement</u>	<u>Revised Budget</u>	<u>This Submission</u>
Records Management Related Software and Consulting Services	\$520,000	\$454,683	\$974,683	\$974,683
City Related Expenses		20,000	20,000	20,000
NET ESTIMATED EXPENDITURES	<u>\$520,000</u>	<u>\$474,683</u>	<u>\$994,683</u> 1)	<u>\$994,683</u>
<u>SOURCE OF FINANCING:</u>				
Drawdown from Technology Services R.F.	\$520,000		\$520,000	\$520,000
Additional Drawdown from Technology Services Reserve Fund 2)		120,000	120,000	120,000
Capital Levy - tsf from GG1050 - Corporate System Update 3)		354,683	354,683	354,683
TOTAL FINANCING	<u>\$520,000</u>	<u>\$474,683</u>	<u>\$994,683</u>	<u>\$994,683</u>

Financial Note:

- | | |
|--------------------------------------|------------------|
| 1) Contract Price | \$957,826 |
| Add: HST @13% | 124,517 |
| Total Contract Price Including Taxes | <u>1,082,343</u> |
| Less: HST Rebate | 107,660 |
| Net Contract Price | <u>\$974,683</u> |
- 2) The additional requirement of \$120,000 is available from the Technology Services Reserve Fund. In 2011, ITS stopped paying for annual maintenance for Livelink. Savings from this strategy and other initiatives allowed ITS to set aside one million dollars in the technology reserve fund for strategic corporate business-IT projects. The uncommitted balance in the Technology Services Reserve Fund will be approximately \$10,000 with the approval of this project.
- 3) The additional \$354,683 drawdown from Capital Levy can be accommodated by a transfer from GG1050 - Corporate Systems Update.
- 4) Future additional annual operating costs of \$82,335 for support and maintenance on this software product are recognized as a result of this project and will be accommodated within ITS and City Clerk's Division operating budgets.

JG

Larry Palarchio
Director of Financial Planning & Policy